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BUREAU OF LAND MANAGEMENT
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In Reply Refer To:
1520 (BC-653)P

November 19, 2003

EMS TRANSMISSION
Instruction Memorandum No. BC-2004-010
Expires: 9/30/05

To: All Washington Office and Field Office Officials
Attn: Administrative Officers and Property Managers

From: Director, National Business Center

Subject: Requirements for Conducting Fiscal Year (FY) 2004 Personal Property Inventories

DD: 03/01/04; 05/01/04

Program Area: Personal Property Management

Purpose: The purpose of this Instruction Memorandum (IM) is to:

- Inform State/Field Offices of the annual requirement for conducting Personal Property inventories
- Reiterate the overall importance of conducting annual inventories
- Provide current instructions on how the inventories should be accomplished and identify contact points that will assist property managers in resolving inventory discrepancies
- Identify specific completion dates for all activities

Policy/Action: This IM transmits current policies and procedures for conducting annual Personal Property inventories for the Bureau of Land Management (BLM). It identifies requirements for both custodial property officers (CPOs) and property managers/technicians. It should be understood that if

an audit of property accountability is accomplished, either by government employees or by an independent auditor (KPMG), the responsible CPO must be able to account for all items under his/her custodianship.

Because of our daily requirement to account for and manage personal property assets, and to prepare, submit, and validate through external audits our asset balances recorded in the Bureau's FY financial statements, no extension of the inventory due dates beyond May 1, 2004, can be granted.

General Requirements/Completion Dates:

It is critical that both the property manager/technician and the CPO work jointly and efficiently to accomplish all specific tasks during the entire inventory process. Procedures found in Attachment 1-3 are provided to assist in this effort and should be followed. Please review all attachments for applicability to your office.

Each CPO must complete a thorough and accurate inventory and submit it to their local property staff by March 1, 2004. Initiation of any Reports of Survey, DI-103, for missing, lost, or damaged property should be prepared and submitted to the Board of Survey no later than the FY 2004 inventory completion date of May 1, 2004. All Fixed Assets (FA) system inputs or Certificates of Unserviceable Property, DI-103A, must also be completed by this date. A memorandum signed by the Accountable Officer stating that the fiscal year inventory has been completed should also be sent to the Property Operations Branch, BC-653, along with all supporting documentation prior to or by the May 1, 2004, deadline.

During the FY inventory completion period, BC-653 will monitor each State/Field Office's inventory accomplishments and provide status reports to the appropriate State Office managers.

Timeframe: This IM is effective upon receipt.

Budget Impact: No budget impacts are anticipated.

Background: Continued emphasis is needed for both the timely accounting for all personal property assets upon initial receipt and the efficient disposition of obsolete/replaced asset(s).

This FY 2004 inventory IM emphasizes the need to maintain and properly account for all property during the inventory process. This inventory is an important component in identifying, reviewing, and recording the inventory status for all personal property assets. Close coordination with property managers/technicians and CPOs is required.

Based on dialog between the independent auditor (KPMG) and the NBC management team, the number of field visits by the independent auditors will increase during FY 2004. This will result in an increase in the number of random/physical field samples that will be used to match the physical inventory and location data with what is reflected in the Fixed Assets (FA) Property Management System.

Manual/Handbook Sections Affected: BLM 1520 Personal Property Management Manual, 1520.06B7, Inventories.

Coordination: This IM was coordinated within the National Business Center's (NBC's) Property Operations Branch.

Contact: For questions regarding the FY 2004 inventory requirements or for inventory discrepancies, please contact Kathy Montgomery, Property Management Specialist (BC-653), Property operations Branch, at (303)236-9460, or Lois Perrin, Property Management Specialist (BC-653), at (303) 236-9461. For further questions regarding policy issues, please contact Jim Crews, (BC-653), at (303)236-4676.

Signed by:
Thomas F. Boyd
Director, National Business Center

Authenticated by:
Lynne J. Lotvedt
Staff Assistant

3 Attachments

- 1 - Procedures to Conduct Inventory (4 pp)
- 2 - FA Inventory Process (4 pp)
- 3 – Special Use of Custodian Codes (4 pp)

Distribution:
WO-850, LS, 1075
ST-150, BLM Library

A - Accountable Officer's Function during the Inventory Process:

1. Ensures the inventory is conducted in a timely manner.
2. Ensures, by receiving feedback from the property manager (PM), that the reconciliation of all personal property items has been completed by custodial property officers (CPOs).
3. Ensures that the supporting documents are done to complete the inventory process (e.g, Reports of Survey, Available Property Reports, etc.).
4. Signs a completion memorandum submitted to BC-653 by the due date.

B - Local Property Manager's (PM) Function during the Inventory Process:

1. Upon receipt of this IM, distributes it with the FA006 report and informs CPOs of the timelines.
2. Upon receipt of the CPOs' annotated changes on the FA006 report, updates the Fixed Assets Property System (FA).
3. Addresses the following issues:
 - a. If a property item is found but not on the report. (See D1 - Overage with FA Number).
 - b. If a property item is found with no FA Number. (See D2 - Overage without FA Number).
 - c. If a property item is on the report but cannot be found. (See D3 - Shortage).
4. Runs a new FA006 report for the CPO after all updates have been made.
5. Annotates property that was not entered into FA within the three-day time frame on the Control Register, including all pertinent information.

C - Custodial Property Officers' Functions during Inventory Process:

1. Upon receipt of the FA006 report, inventories the property items listed to ensure that they are in the possession of an employee in their organization.
2. Reviews the listing, ensuring the accuracy of the FA Number, cost, classification (description), serial number, manufacturer, etc.
3. If an item is not found, annotates the report with the information on what has happened to the item;
 - a. Was the item transferred,
 - b. Was the item disposed of, or
 - c. Was the item lost?
4. If an item is not on the FA006 report but is in the possession of an employee, annotates the report with the following information:

FA Number (if not numbered, the property manager will affix a FA Number to the item); type of item (laptop, GPS unit, radio, etc), manufacturer, serial number, how acquired, cost, and cognizant employee.

5. Upon completion of this review, signs and dates the form and returns it to the local PM.
6. PM will send an updated FA006 to each CPO. The CPO should review this report for final acceptance.
 - a. If there are any errors, CPO will notify the PM immediately.
 - b. If the report is accurate, the CPO will e-mail the PM to that effect.

D - Local Reconciliation. The reconciliation should include the following steps:

1. Overage with FA Number. When an item is found with an FA Number that is not on the FA listing, query the FANI Table in FA to determine if it is on another office's inventory. (When querying this table, be sure you blank out the FA type.)
 - a. If the item is on another office's records and the item will remain in your office, call that office and ask that they initiate a transfer of property (a T1 Document) for that item.

b. If the query indicates that FA has no record of the item, check the Control Register and:

(1) If a receiving report is posted and the item was purchased in FY 2002/2003, enter the item into FA as a new acquisition.

(2) If a receiving report is not posted to the control Register, enter the item into FA using a Found on Inventory code (Acquisition Method C).

(3) If a record is found on the disposal side of the register, research the disposal document to determine what action should have been taken and then follow through with the action.

2. Overage without FA Number. If an item without a FA Number is found, check the FASI Table in FA to query by serial number. If the item is identified in FA, attach the correct FA Number to the item. Request a property tag be printed by BC-653 if you need a reprint of this specific property tag. If the item cannot be matched, assign a new FA Number. Enter the item into FA as a Found on Inventory code (Acquisition Method C).

3. Shortage. If an item is on the inventory listing but cannot be found, check if the item was previously subject to disposal action. If so, enter an FD transaction for that item to FA. If not, initiate a Report of Survey, Form DI-103. Process a Disposal Document (FD) to FA.

4. Corrections. Corrections affecting data within an accountable officer's area of responsibility can be made by that office. A phone call or coordination with BC-653 may be helpful.

5. Damaged FA Numbers. Replacements for illegible, marred, or damaged FA Number tags may be requested through BC-653.

6. Leased Property. All leased property must be controlled and inventoried if leased for 60 days or more.

7. BLM Property Held by Contractors, Grantees, and Federal Cooperators. BLM property held by contractors is identified in FA in the FLOC AND CORG table by the location of the item. It is the responsibility of the CPO to provide the contractor, grantee, or the cooperator with a printout of all property items requiring inventory. The contractor, grantee, or cooperator must conduct a physical inventory and respond with a letter or other similar certification providing the results of the inventory to the CPO.

This certification must include an affirmation that a physical inventory was taken, a listing by FA Number of the items found and in good condition, and an explanation of any losses or shortages. Send these differences to the property manager for updating to FA.

E - National Business Center. The National Business Center (NBC) is responsible for monitoring the status of all field office property management inventories for the WO, and for ensuring that property management inventories submitted by field offices reconcile with the Bureau General Ledger Control Accounts.

1. Field Office Inventory Completion Memorandum. The NBC review process is initiated upon receipt of a signed and dated memorandum from a field office accountable officer stating that the FY 2004 field office inventory is complete. Appropriate supporting documents must also be included with the memorandum.

2. All Personal Property Items in the FA System. BC-653 will run and review FA Reports No. FA012 (items to be inventoried) and RFA24 (items identified as disposal, transfers, or missing). If review of these reports indicates that all transactions are complete, BC-653 will send a memorandum to the appropriate field office stating that the FY 2004 inventory has been completed. If any FA transactions have not been completed, an e-mail will be sent describing the action to be taken to the accountable office property manager and their state office property manager.

3. Pending Transfer and/or Disposal Documents. Field office transfers (T1 documents) and disposals (FD documents) in reject/pending status need to be resolved during the current fiscal year.

4. Prior Disposal Documents. BC-653 will not send a completion memorandum if there are any previous fiscal year pending disposal documents.

5. Inventory Completion Certification. BC-653 will certify in writing to WO-850 the status of all FY 2004 inventories by the end of October 2004.

F - Accountability Certificate - Form 1520-9: This form is needed upon the arrival of a new accountable officer. The outgoing accountable officer will sign/date the top portion of the form, while the incoming will sign/date the bottom portion. The new accountable officer will be required to formally accept full accountability and responsibility for all controlled property in the Fixed Asset (FA) system. The incoming accountable officer may request a physical inventory before signing the accountability certificate. If a current form 1520-9 is not on file at BC-653 bearing the present accountable officers' signature, you will need to submit this form with your inventory.

FA INVENTORY PROCESS

The Fixed Asset Physical Inventory Table (FAPI) is populated with all items that need to be inventoried by your office for FY 2004. Follow either Procedure A or Procedure B below, and when these are completed, follow Procedure C.

PROCEDURE A: If a CPO returns the FA006 report with no changes to the inventory and all items have been accounted for, the following actions should be completed:

1. On the Fixed Asset Physical Inventory by CPO Table (FAPO), enter the following:

- a. Action - A
- b. The of the CPO code for which the inventory was performed.
- c. The fiscal year (yyyy) that the inventory was issued.
- d. The date (mmddyyyy) on which the inventory was completed.
- e. PRESS ENTER
- f. The number of FA items will be indicated in the field "NUMBER OF ASSETS MARKED AS INVENTORIED"

2. If some of the items on the CPO's record have changes, follow Procedure B. After completing the updates for those particular items, you may then use Procedure A to update the inventory date for the remaining inventory items.

To update the items in FAPI, you need to query the item by FA type and FA number. (If the item does not come up with the FA type you used, key in one of the others). The FA types are EC, IC, ES, IS, and SC.

1. If the item does not come up in FANI, check the history table (FHIS). If the item comes up on the FHIS table and the new value field reads disposed, you will need to research for the disposal document to determine when and why the asset was disposed of so it can be re-entered into the FA system.

PROCEDURE B: If there are changes in the CE, transfers, disposals, or items that are missing, the following actions should be taken:

1. To bring up the specific FA Number on the FAPI table:

Action - S

FA Type - EC, IC, ES, IS OR SC

FA Number - 7 digit FA Number - ENTER

2. Action - C

In the INV PERFORMED field, enter one of the following codes:

Y - Physical Inventory Performed

T - The item needs to be transferred.

(a T1 document must be done)

D - If item is in disposal process.

(a FD document must be done)

M - If item cannot be located.*

* Any assets that cannot be located during the FY 2004 inventory period must remain in the inventory status code of "M", which indicates that they cannot be physically located. BC-653 will provide a listing of these final assets at the Bureau inventory completion period and assist State/Field Offices in processing DI-103, Report of Survey forms, to complete their final inventory and reconciliation process. BC-653 uses the RFA24 report to identify these items.

3. In the INV COMP DATE, enter the date (mmddyyyy) on which the physical inventory was completed.

4. The CE can be changed if the CPO remains the same.

5. The building field should be used for report number.

6. All other field values are defaulted.

PROCEDURE C: If necessary, an FA012 report can be requested if your office needs to see what is still on the FAPI table waiting to be inventoried. Field Offices can now pull this report directly from the BLM Management Information System (MIS) at Netsite <http://mis.blm.gov/>. The MIS can be reached through the NBC homepage on the intranet.

Attachment 2-2

1. Your inventory will not be complete until action has been completed on the items with PERFORMED INV CODES; T, M, and D.

2. Backup documentation must be sent with your completion memo for any items that are missing, put on an Available Property Report, or marked for disposal.

PROCEDURE D: Items on a Report of Survey/Unserviceable Certificate or transfer out of BLM:

For consistency, BC-653 has created the CPO code on the CUST table for your use in processing this type of transaction.

Items on an available/excess report should be transferred from the present CPO's inventory to the highest-level CPO code for excess available. You must enter the available or transfer document number in the building data field. This will assist tracking the items that are in disposal process. The following step needs to be followed to accomplish this action:

1. A T1 (transfer) transaction is needed to complete this action.
 - (a) (e.g. AZ910X01) on the CUST TABLE. (Example)
Last Name - Excess
First Name - Available

Creating this code helps to ensure that the items that are put on an available report will be removed from the CPO's inventory pending disposition.

PROCEDURE E: Items on a Report of Survey/Unserviceable Certificate or transfer out of BLM:

For consistency, BC-653 has created the CPO code on the CUST table for your use in processing this type of transaction.

Items that are put on a report of survey/unserviceable certificate or transferred out of BLM should be transferred to the highest level CPO for Disposal Pending. The building data field should be used for the Report of Survey/Unserviceable Property Certificate Document or transfer document number. The following step needs to be followed to accomplish this action:

1. A T1 (transfer) transaction is needed to complete this action.
 - (a) (e.g. AZ910Y01) on the CUST TABLE. (Example)
Last Name - Disposal
First Name -Pending
CE Code - Last cognizant employee user.

Attachment 2-3

PROCEDURE F: Disposal of WCF vehicles:

For consistency, BC-653 has created the CPO code on the CUST table for your use in processing this type of transaction.

WCF Vehicles on disposal documents should be transferred to the highest-level CPO. The building data field should be used for the Available Property Report, Report of Survey/Unserviceable Property Certificate Document, or transfer document number. The following step needs to be followed to accomplish this action:

1. A T1 (transfer) transaction is needed to complete this action.

- (a) (e.g. AZ910Z01) on the CUST TABLE. (Example)

- Last Name - WCF

- First Name - Vehicles

- CE Code - Last cognizant employee user.

PROCEDURE G: Additional actions for property items in the x, y, or z CPO codes:

The PM should follow up on any property items, including WCF vehicles, that remain in CPO x, y, or z codes longer than 30 days to determine why the action was not completed.

When an Accountable Officer is other than a BLM employee (i.e. Fish & Wildlife), the CUST table should be populated as example below:

ACTION: C SCREEN: CUST USERID: N6KM
CUSTODIAN REFERENCE DATA TABLE
KEY IS CUSTODIAN CODE

CUSTODIAN CODE: **CA91000** CUSTODIAN TYPE: **A** SOC SEC NUM:
NAME - LAST: **ELLIOTT (F&W)** FIRST: **DAVID JAMES**
DESCRIPTION:
CUSTODIAL ORG: **CA910** LOCATION: **CA910**
TRANSFER ACCEPTANCE REQUIRED: **Y** FFS USER ID: **PROPERTY**
ELIGIBLE TO BE: ALLOW MULTIPLE LOCATIONS: **N**
CUSTODIAL PROP OFFICER: **N** LOCATION-2: LOCATION-3:
ACCOUNTABLE PROP OFFICER: **Y** LOCATION-4: LOCATION-5:
LOCATION-6: LOCATION-7:
LOCATION-8: LOCATION-9:
DEFAULT ACCOUNTABILITY CHAIN:
CUSTODIAL PROP OFFICER: **CA91001** / BELL (F&W) CATHERINE
ACCOUNTABLE PROP OFFICER: **CA91000** / ELLIOTT (F&W) DAVID
/

DEFAULT ACCOUNTING DISTRIBUTION:
FUND: ORGN: PROG: JOB:

Attachment 3-1

When an Custodial Property Officer is other than a BLM employee (i.e., Forest Service), the CUST table should be populated as below:

ACTION: **A** SCREEN: CUST USERID: N6KM
CUSTODIAN REFERENCE DATA TABLE
KEY IS CUSTODIAN CODE

CUSTODIAN CODE: **CA91001** CUSTODIAN TYPE: **W** SOC SEC NUM:
NAME - LAST: **BELL (FS)** FIRST: **CATHERINE**
DESCRIPTION:
CUSTODIAL ORG: **CA910** LOCATION: **CA910**
TRANSFER ACCEPTANCE REQUIRED: **Y** FFS USER ID **N6LPERRIN**
ELIGIBLE TO BE: ALLOW MULTIPLE LOCATIONS: **N**
CUSTODIAL PROP OFFICER: **Y** LOCATION-2: LOCATION-3:
ACCOUNTABLE PROP OFFICER: **N** LOCATION-4: LOCATION-5:
LOCATION-6: LOCATION-7:
LOCATION-8: LOCATION-9:
DEFAULT ACCOUNTABILITY CHAIN:
CUSTODIAL PROP OFFICER: **CA91001** / BELL (FS) CATHERINE
ACCOUNTABLE PROP OFFICER: **CA91000** / ELLIOTT DAVID
/
DEFAULT ACCOUNTING DISTRIBUTION:
FUND: **245** ORGN: **CA910** PROG: JOB

Attachment 3-2

When a Cognizant Employee is a contractor for BLM, the CUST table should be populated as below:

ACTION: **A** SCREEN: CUST USERID: N6KM
CUSTODIAN REFERENCE DATA TABLE
KEY IS CUSTODIAN CODE

CUSTODIAN CODE: **CA91003L001** CUSTODIAN TYPE: **C** SOC SEC NUM:
NAME - LAST: **LABYORTEAUX (C)** FIRST: **PATRICK**
DESCRIPTION:
CUSTODIAL ORG: **CA910** LOCATION: **CA910**
TRANSFER ACCEPTANCE REQUIRED: **Y** FFS USER ID **PROPERTY**
ELIGIBLE TO BE: ALLOW MULTIPLE LOCATIONS: **N**
CUSTODIAL PROP OFFICER: **N** LOCATION-2: LOCATION-3:
ACCOUNTABLE PROP OFFICER: **N** LOCATION-4: LOCATION-5:
LOCATION-6: LOCATION-7:
LOCATION-8: LOCATION-9:
DEFAULT ACCOUNTABILITY CHAIN:
CUSTODIAL PROP OFFICER: **CA91001** / BELL (F&W) CATHERINE
ACCOUNTABLE PROP OFFICER: **CA91000** / ELLIOTT (F&W) DAVID
/

DEFAULT ACCOUNTING DISTRIBUTION:
FUND: ORGN: PROG: JOB:

Law Enforcement Officers (LEOs) custodian codes (i.e. WO12003A001) will be populated under the field office accountable property officer where the LEO is assigned.

ACTION: **A** SCREEN: CUST USERID: N6KM
CUSTODIAN REFERENCE DATA TABLE
KEY IS CUSTODIAN CODE

CUSTODIAN CODE: **WO12003A001** CUSTODIAN TYPE: **E** SOC SEC NUM:
NAME - LAST: **ADAMS** RST: **SAM**
DESCRIPTION:
CUSTODIAL ORG: **WO120** LOCATION: **CA910**
TRANSFER ACCEPTANCE REQUIRED: **Y** FFS USER ID **PROPERTY**
ELIGIBLE TO BE: ALLOW MULTIPLE LOCATIONS: **N**
CUSTODIAL PROP OFFICER: **N** LOCATION-2: LOCATION-3:
ACCOUNTABLE PROP OFFICER: **N** LOCATION-4: LOCATION-5:
LOCATION-6: LOCATION-7:
LOCATION-8: LOCATION-9:
DEFAULT ACCOUNTABILITY CHAIN:
CUSTODIAL PROP OFFICER: **WO12001** /
ACCOUNTABLE PROP OFFICER: **CA91000** /
/

DEFAULT ACCOUNTING DISTRIBUTION:
FUND: ORGN: PROG: JOB:

When a BLM employee is stationed in one office but physically located in another, the required data fields on a transfer document are:

DOCID: **T1 CA BAIT030001**
STATUS: BATID: ORG:
FIXED ASSET TRANSFER INPUT **SCREEN**
TRANS DATE: ACCTG PERIOD: CPO ACK REQ: **N**
FA NUMBER: 0417563 BETT NUMBER: * FA TYPE: ES
DESCRIPTION:

NEW CUSTODIAL ORG: **CA910**
NEW LOC: **CA910** NEW LOC NAME:
NEW BUILDING: USED BY K TURNER CA350 NEW ROOM: NEW BFYS:
NEW FUND:
NEW CUST PROP OFFICER: **CA91001** /
NEW ACCT PROP OFFICER: /
NEW COGNIZANT EMPLOYEE: **CA91001** /